

Minutes  
Page County Board of Supervisors  
Budget Work Session  
June 8, 2010

All Members Present: Johnny Woodward, Chairman, At-Large  
Robert Griffith, District 1  
Larry A. Sours, District 2  
J. D. Cave, District 3  
Darrell Short, District 4  
Jeff Vaughan, District 5

Staff Present: Dr. Thomas Cardman, County Administrator  
Amity Moler, Finance/HR Director  
Regina Miller, Executive Secretary

Others Present: 50 County Employees & Citizens

**Call to Order:**

Chairman Johnny Woodward called to order the budget work session of the Page County Board of Supervisors on June 8, 2010 at 7:00 p.m. in the Circuit Court Room, located in the Courthouse, noting a quorum was present.

**Discussion of the Chief Technology Officer Position:**

The first matter the Board discussed was the Chief Technology Officer position. Chairman Woodward indicated that he was under the impression that, once this position was advertised, the Board would review the applications and decide on a candidate. However, he understands now that the position has been filled without this process.

Dr. Cardman stated that he was operating under the same principles the Board laid out during the reduction in force process in that those employees who work for the County Administrator would be hired and dismissed by the County Administrator. The salary for this position is included in the Fiscal Year 2010-2011 budget. The position was duly advertised; the candidates were reviewed by a committee and the recommendation of the committee was accepted.

Chairman Woodward remarked that a salary was offered without approval of the budget by the Board. Dr. Cardman reiterated that the selected candidate has been offered the position.

Supervisor Vaughan recalled that the last discussion by the Board was that the position would be advertised to accept resumes. Once the resumes were narrowed down, it was to be brought back to the Board for evaluation and to determine the job description. He expressed that a hands-on individual needs to be hired. Included in the budget for the salary is a figure of \$60,000. If this is the salary, then he expects the additional

expenses for consulting and troubleshooting to be eliminated. If this is not the case, then the Board needs to revisit this position. He said when the position is filled it needs to be with someone who is knowledgeable of the system. In previous discussions, the Board's concern was that whoever fills the position needs to be competent with the maintenance, security, and advising the County in the area of IT. He again emphasized that before the position was filled the Board was to have discussion and comments on the applicants. The Board received documentation in the weekly packet that the committee consisted of Dr. Cardman, Henry Mikus, and Sheriff Thomas and he felt that Mrs. Amity Moler should have been on the committee as the Human Resources Director. He requested that the Board and Mrs. Moler be provided the same information as the committee. This position, he said, is critical to Page County.

Supervisor Cave indicated that he has a similar understanding but stated that while the Board does not want to be directly involved with the daily operations or micromanaging, the Board reserved the right to have further discussion with the final candidates for this position. He stressed that he would be in favor of stopping what has been done so far to allow the Board to proceed in the manner as previously discussed.

Dr. Cardman indicated that a closed session for personnel matters would be added to the next meeting agenda and he will ask the selected candidate to attend the meeting. The Board will be provided with the criteria the committee used to evaluate the applicants.

Chairman Woodward felt that it would be unfair to ask the selected candidate to appear before the Board without asking the other candidates. Dr. Cardman mentioned that the purpose of the review committee was to rate the applicants according to their qualifications, and the recommendation was unanimous among the committee members based on the individual's qualifications.

**Motion:**

Supervisor Vaughan moved for the Board to evaluate and discuss what the committee has already done with the Chief Technology Officer position, in closed session, if necessary. Then the Board needs to determine if they need to conduct the interviewing process. Supervisor Cave seconded and the motion carried by a vote of 6-0. Aye: Griffith, Sours, Cave, Short, Vaughan, Woodward.

Dr. Cardman informed the Board that he will include the applications, job advertisement, applicant rating, and job description in the upcoming Friday packets.

**Shenandoah Valley Electric Cooperative – County Representative:**

Chairman Woodward stated that he received a call from a representative with the Shenandoah Valley Electric Cooperative requesting the governing body to designate an individual to participate in their Local Government Liaison Program commencing with the regular Board meeting on June 24, 2010 at 6:00 p.m. and ending after the regular Board meeting in May 2011.

**Motion:**

Supervisor Cave moved to nominate Jeff Vaughan to fill the seat as the County's representative. Supervisor Griffith seconded and the motion carried by a vote of 6-0. Aye: Griffith, Sours, Cave, Short, Vaughan, Woodward.

**Discussion of the FY 2010-2011 Budget:**

The Board then discussed the issue on the replacement of the two Stanley wells. Dr. Cardman clarified that there is not capital improvement program (CIP) money designated for this project in next year's proposed budget. He explained that when the Premier Technical Services project begins, there is a \$700,000 grant from the Department of Housing and Community Development that was awarded to the County to pay for the installation and extension of this well as well as upgrading the water and sewer lines in this area. He noted that the Board can authorize the start of this grant at any time, but the risk is if the grant money is used there is a possibility that the County would have to pay it back to the state. He said that the County has placed \$700,000 in an escrow account until the grant conditions are met, if the grant is exercised. After lengthy discussion, Dr. Cardman mentioned that staff would research the history of the matter and provide the information to the Board.

On another matter, Chairman Woodward noted that the EDA had previously budgeted the July 23, 2010 payment for Project Clover in next year's budget. He asked Dr. Cardman where the money was coming from, because it was not included in the County's budget. Dr. Cardman clarified that the EDA included the amount in their budget in order to avoid an anticipatory breach in releasing the 38 acres. This is why the Supervisors, upon advice of legal counsel, went silent on Project Clover for a period of time to ensure the anticipatory breach was not declared. In order to make sure the 38 acres would not be affected by an anticipatory breach, the EDA put \$378,000 in the budget they passed; however, they never asked the Board to fund it. They have anticipated that the project would be permanently financed and there would be no need to make a payment in fiscal year 2011. He remarked that there was never an anticipation of having the payment in the budget nor was there any request to include it in the budget, and it is not in the budget that the Board has tentatively approved. The vote by the Board not to honor the moral obligation pledge in support of Project Clover freed no funds in the fiscal year 2011 budget.

Supervisor Sours remarked that the County had the choice of either standing behind the previously approved moral obligation, leaving it financed the way it was and paying the money by July 23, 2010, or refinancing the Project and not having to do anything until July 23, 2011. This choice depended on a business locating on the property and the payment would have been taken care of through the businesses taxes. The Board was given different choices and nothing sneaky was happening. He said he is not giving up on Page County and its young people because he still has high hopes that there are two industries coming to Page County. The payment for the Project could not have been made next fiscal year.

On another matter, the Board discussed the carryover of any remaining funds in the fiscal year 2009-2010 school budget to the fiscal year 2010-2011 budget, if there are any. Chairman Woodward asked if the Board wanted to reappropriate the money back to them or allow them to return it to the County.

Supervisor Cave remarked that if the School Board is frugal there should be some incentive as a result of wise spending and he felt they should be able to keep what they save.

C. R. Suddith, Treasurer, mentioned that the Board has to vote to reappropriate carryover money back to the School Board. Dr. Cardman indicated that the Board can commit to reappropriate the carryover money but they cannot commit an amount until the School Board knows an amount. The Board can pledge to appropriate the funds that are leftover in the fiscal year 2010 school budget at the end of June 30 to the School Board for their use. Once it is returned to the School Board the Supervisors cannot designate its use.

**Motion:**

Supervisor Short moved to allow the School Board to carryover over their unspent funds from the fiscal year 2009-2010 budget to their fiscal year 2010-2011 budget for unrestricted use. Supervisor Sours seconded and the motion carried by a vote of 6-0. Aye: Griffith, Sours, Cave, Short, Vaughan, Woodward.

Supervisor Griffith expressed that the Environmental Services Department is crucial for Page County and he felt that the Public Works Department will not be able to handle the additional duties if the department is eliminated. In addition, he felt that the County will lose more than what will be saved. Ms. Chris Anderson, Environmental Services Coordinator, remarked that she will have some money to give back from the current fiscal year budget. She indicated that she needs \$35,000 to keep the department in next year's budget.

Supervisor Vaughan recommended that the Constitutional Officers local salary amount be reduced and transfer this amount to the Environmental Services Department. Dr. Cardman informed the Board that if they were to restore this department to its budget request, it would be approximately \$65,000. Supervisor Vaughan reiterated that the Board support the department from the local salary amount reduction to the Constitutional Officers salaries and keep the department in place. Mr. Suddith remarked that the County is required to match the salaries. The County has an adopted pay and classification plan and the salaries are based on that plan. Sheriff Thomas mentioned that he may have a surplus of funding left in his budget at the end of this fiscal year. If so, this could go toward maintaining the Environmental Services Department. Mrs. Moler stated that if Mr. Belton's salary and benefits is prorated in next year's budget it could mean a savings of \$35,000, since he will be on military duty through October or November and will not be receiving a salary from the County.

Mr. Suddith expressed concern that if the Board cuts a tax collector, then the County will lose revenue. When is the Board going to address the reduction in revenue from the Treasurer and Commissioner of Revenue Offices as a result of cutting staff? He said that if the Board cuts the staff in these offices then they will lose more revenue than they will save in the salary they are cutting.

Mr. Campbell reminded the Board that he has corresponded with them through letters indicating that the Board cannot cut the employees in his office and keep the functions. He echoed Mr. Suddith's comments and stated that a reduction in staff will affect the revenue.

Gene Stewart, Emergency Services Coordinator, indicated that he has been volunteering for 32 years in this County. Included in the budget is \$270,000 for the six volunteer fire departments and rescue squads. He suggested that this would be money that could be used to save some jobs.

Dr. Cardman outlined that the projected fund balance, which takes into account the decreased spending and decreased revenue, has an amount that is within the 15% to 16% level, not the 20% level. He said the final amount in the fund balance will not be known for several months. If the percentage is reduced, there needs to be enough funds to meet the landfill financial assurance requirements and cash flow.

Regarding the Economic Development Authority, Dr. Cardman mentioned that there is \$142,000 included in the budget request for the job creation and retention grants and \$19,000 for their operational costs. He mentioned that the EDA has decided to forego their stipends next year. Supervisor Cave remarked that he would like to eliminate the EDA altogether and reconstitute under a task force with new members. Chairman Woodward stated that the Board cannot eliminate the EDA. He suggested eliminating lodging and meals and mileage from the Economic Development Department budget.

Chairman Woodward then asked Mr. Suddith if he could evaluate the fund balance to see if the 10% to 15% would remain in the fund if it were used to fund the schools another \$300,000 and County positions set to be eliminated. Mr. Suddith said he would work with Dr. Cardman to refine the fund balance. Dr. Cardman noted that if the positions slated to be cut are restored, then approximately \$300,000 more will need to be added to the budget. If the \$300,000 is restored to the schools, this will also need to be added.

Supervisor Vaughan said the County cannot continue on the same financial path. There has to be either a stream of increased revenue or staff has to work more efficiently and make cuts. The Board has had discussions on the proposed budget cuts and they are not easy, but they also voted not to increase taxes. The County is currently strapped for sources of revenue. He felt that the Board should not draw from the fund balance anymore. He recommended that the Finance Department and Treasurer determine if there are other funds available in the proposed budget and report back to the Board. Then, the Board needs to determine what they feel is the most

critical area to the County to retain. Otherwise, the Board has done their due diligence on the budget. He further recommended that the fund balance not be a part of the consideration.

Mr. Suddith agreed with Supervisor Vaughan but stated that the Board needs to use strategic cuts and should not cut one-sixth of the delinquent tax collectors at a time when the economy is tough and collecting taxes is the hardest. He said that he and Mr. Campbell gave the Board their best revenue projections based on their current staffing levels. He informed them that the budget is not balanced if the cuts are made in those offices because they will not be able to bring in the revenue. With that said, the Board has refused to lower the revenue projections while still demanding the cuts in services.

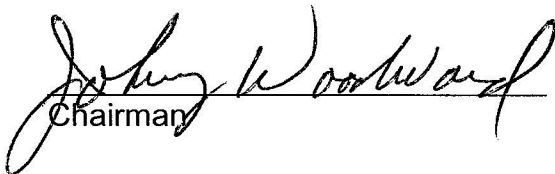
Supervisor Cave also agreed with Supervisor Vaughan and expressed appreciation for the comments made, but said the Board has to move forward with the budget as advertised.

**Motion:**

Supervisor Vaughan moved not to consider the fund balance for funding the budget next fiscal year. Supervisor Cave and the motion carried by a vote of 4-2. Aye: Griffith, Sours, Short, Woodward. Nay: Cave, Vaughan.

**Adjourn:** 9:31 p.m.

With no further business, Chairman Woodward adjourned the meeting.

  
Chairman